

EXHIBIT 7

Biden proposes splitting billions in Afghanistan funds between 9/11 victims and humanitarian aid

By [Karen DeYoung](#)

Today at 9:37 a.m. EST | Updated today at 2:29 p.m. EST



President Biden began clearing a pathway Friday for releasing about \$3.5 billion in frozen Afghan reserve funds held in the United States to be used for humanitarian and other assistance in Afghanistan, while an equal amount would be reserved for families of 9/11 victims who have legal claims against the Taliban.

The plan, including an executive order that Biden signed Friday, is an attempt to grapple with some of the financial implications of Biden's decision to end the U.S. war in Afghanistan after 20 years of conflict. When the Taliban toppled the Afghan government last August, it left uncertainty concerning \$7 billion in Afghan central bank funds remaining in the United States.

The Biden administration froze the Afghan assets in August. The president's order, invoking constitutional and statutory emergency powers, blocks and transfers all of the money, from any U.S. financial institution, to a consolidated account at the New York Federal Reserve, where most of it is already held, until domestic litigation surrounding it has been resolved. Additional Afghan central bank funds totaling more than \$2 billion are frozen in other countries.

The United Nations has estimated that the vast majority of Afghanistan's 40 million people will suffer severe hunger this winter and that many, especially children, will die. The administration has been under pressure from humanitarian organizations and some lawmakers to release the funds. The Taliban, with some support from Russia, China and other countries, has demanded that all the money be released.

The Taliban quickly rejected the U.S. plan. Suhail Shaheen, the Taliban's designated U.N. representative, told The Washington Post that "the frozen funds are the reserves of the Afghan central bank. This should be totally unfrozen and transferred to [the] Afghan bank as reserves. We don't want what the [United States] is planning."

Abdullah Azzam, secretary to Taliban acting first deputy prime minister Abdul Ghani Baradar, said on Twitter that "Biden doesn't have the right to pay from Afghans' assets the ransoms of those whom the Afghans have not killed. American President should not prove his generosity by paying from others' wealth."

The Afghan reserves were frozen, along with foreign aid that had provided up to 75 percent of Afghanistan's budget, when the Taliban ousted the U.S.-backed government. No country has recognized the Taliban as Afghanistan's legitimate government. The sudden cutoff of funds has closed the country's banking system and brought the economy near to collapse.

Emergency aid money has been funneled through the United Nations and international agencies, including more than \$500 million from the United States since August, to provide food, shelter and health care, along with direct payment

The United Nations has set up a program to distribute those donations without releasing them into the hands of the Taliban, whose organization and many of its leaders are under sanctions. The administration pressed for a U.N. Security Council resolution in December to exempt a broad range of humanitarian activities from sanctions, and issued its own Treasury Department waivers.

More than \$200 million was released from a frozen World Bank trust fund, set up years ago for Afghanistan, with restrictions to avoid access by the Taliban.

But the United States and its international allies and partners have said the militants should not have any of the money until they comply with demands to form a more inclusive government, guarantee human and civil rights for minorities and women, allow girls to attend school at all levels, break all ties with terrorist groups and ensure that there are no reprisals against those associated with the former government or its backers.

“We expect ultimately the resources will be deployed for benefit of the Afghan people, while ensuring they will not be a direct benefit to the Taliban,” said one of two senior administration officials who briefed reporters on the initiative. The officials spoke on the condition of anonymity under rules set by the administration.

Biden’s executive order stipulates that a “widespread humanitarian crisis in Afghanistan — including the urgent needs of the people of Afghanistan for food security, livelihoods support, water, sanitation, health, hygiene, shelter and settlement assistance, and Covid-19-related assistance, among other basic human needs — and the potential for a deepening economic collapse” pose a national security and foreign policy threat to the United States.

“I also understand that various parties, including representatives of victims of terrorism, have asserted legal claims” against the funds, the order says.

The officials emphasized that the order was only a first step to distributing the money. Relatives of the victims of the 9/11 attacks and other terrorist acts won a judgment against the Taliban — which was providing a haven for al-Qaeda leader Osama bin Laden at the time of the attacks — attaching the funds. But the case has been on hold as the administration determined its position. The Justice Department is scheduled to file a statement of interest Friday in a federal court in New York. No money can be disbursed, to the victims or to Afghanistan, until courts rule on the matter.

The administration plan, if approved by the court in a process that officials said could take months, would split the money in half. The proposal is likely to draw sharp criticism from U.S. lawmakers who oppose making any assistance available to Afghanistan that could, even indirectly, benefit the Taliban.

If approved, \$3.5 billion would go into a specially monitored trust fund, and “we are going to be ensuring that there are very robust controls in place,” one of the administration briefers said. “It is not going to the Taliban; it is going to be used for the benefit of the Afghan people.”

There would “still be slightly over \$3.5 billion, assuming the court lets us act,” for terrorism victims “to be able to have their day in court.” In terms of the “immediate crisis” in Afghanistan, the official said, “because we have to go through a judicial process here, there is going to be at least a couple of months before we can move any of this money. So it’s not going to be available regardless.”

Asked about Afghan assets frozen in other countries, which in some cases have been urged by the United States not to release them, the second official said that “we fully anticipate there will be significant multilateral components to a mechanism that is built to determine the disposition of these funds.”

Suzannah George in Islamabad, Pakistan, and Matt Viscer in Washington contributed to this report.

CORRECTION

An earlier version of this article referred to Abdul Ghani Baradar as Taliban deputy foreign minister. He is acting first deputy prime minister for economic affairs. The article has been corrected.

